



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

DEC 26 2001

Douglas B. England, Treasurer
Indiana Democratic Congressional Victory
Committee
One N. Capitol Avenue, Suite 200
Indianapolis, IN 46204

Identification Number: C00108613

Reference: Mid-Year Report (1/1/01-6/30/01)

Dear Mr. England:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A supporting Line 15 of your report discloses a payment(s) from a federal candidate committee(s) for goods and/or services provided by your committee. 11 CFR §100.7(a)(1)(iii)(A) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.7(a)(1)(iii)(B)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal candidate committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by your committee to the federal

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candidate committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.7(a)(1)(iii)(A))

-Schedule A of your report discloses aggregate year-to-date totals for contributions received from individuals which appear to be incorrect. Please be advised that federal regulations require aggregate year-to-date totals to include only those contributions which are received during the calendar year. In the event that the aggregate year-to-date total is correct, please note that federal regulations also require the disclosure of all contributions received from individuals who have contributed over \$200. 11 CFR §104.3(a)(4) Please amend your report to provide the correct aggregate year-to-date totals.

-Schedule A supporting Line 15 of the Detailed Summary Page discloses a refund(s) or rebate(s) of what appears to be a previously disclosed allocable expense(s) from Morris & Carrick, Inc. Please be advised that when a committee receives a refund or rebate of an allocable expense, it must be allocated between the federal and non-federal accounts according to the same allocation ratio used to allocate the original disbursement. Furthermore, the federal account must transfer the non-federal portion to the non-federal account and disclose this transfer-out on Schedule H4. Your report does not appear to disclose a transfer-out of the non-federal portion of this refund(s) or rebate(s). Please provide clarification regarding this apparent omission.

-Schedule B supporting Line 22 (pertinent portion(s) attached) discloses \$66,646.52 in transfers to what appears to be a non-federal account of your committee. Please provide further clarification regarding this transfer to your non-federal account.

You are advised that 11 CFR §102.5 prohibits a non-federal account from financing activity in connection with federal elections. If any of the disbursements disclosed on Schedule B supporting Line 22 were made to influence the election or defeat of specific federal candidates, the disbursements should be allocated accordingly and disclosed as either in-kind contributions on Schedule B supporting Line 23, independent expenditures on Schedule E supporting Line 24, or as coordinated expenditures on Schedule F supporting Line 25. 11 CFR §§104.3(b)(3) and 106.1 In addition, if your non-federal account has paid any expenditures which should have been allocated, you are advised to correct any non-compliance with 11 CFR §106.5 and 106.6 and establish procedures to insure future compliance with allocation regulations.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "supplies reimbursement". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

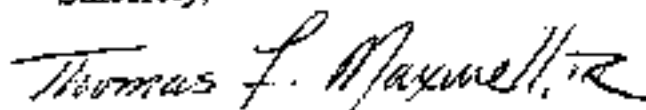
-Please clarify all expenditures made for "party ad", "state party ad" and "program party ad" on Schedule(s) H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B, E or F supporting Lines 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Payments made to credit card companies must identify in memo entries, the original vendors from which you have purchased an item or service if your payments to these vendors have exceeded \$200 this year. Please amend your report by providing the mailing address, date, amount and purpose of such payments as required by 11 CFR §104.9(b).

-Schedule H4 discloses a disbursement(s) which is categorized as a fundraising expense(s); however, a Schedule H2 has not been filed to disclose the allocation ratio. All committees are required to allocate the direct costs of each fundraising event in which the committee collects both federal and non-federal funds. The costs are allocated according to the funds received ratio and reported on Schedule H2. 11 CFR §§106.5(f) and 106.6(d). Please file a Schedule H2 to disclose the ratio for the fundraising event(s).

A response or amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Thomas F. Maxwell, III
Reports Analyst
Reports Analysis Division

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS

Use separate schedule(s)
for each category of the
Detailed Summary Page

FOR LINE NUMBER:
(check only one)

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☐ 21b ☒ 22 ☐ 23 ☐ 24 ☐ 25
☐ 26 ☐ 27 ☐ 28a ☐ 28b ☐ 28c ☐ 29

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (In Full)

Indiana Democratic Congressional Victory Committee

Full Name (Last, First, Middle Initial)

A. Indiana Democratic State Central Comm

Mailing Address

One North Capitol

Suite 200

City

Indianapolis

State

IN

Zip Code

46204

Purpose of Disbursement

transfer to non-federal acct

Candidate Name

Category/
Type

Office Sought

House

Senate

President

Disbursement For:

Primary

General

Other (specify) ▼

State:

District:

Date of Disbursement

01 / 25 / 2001

Amount of Each Disbursement this Period

35840.13

Transaction ID: SB22.5672

TFM

Full Name (Last, First, Middle Initial)

B. Indiana Democratic State Central Comm

Mailing Address

One North Capitol

Suite 200

City

Indianapolis

State

IN

Zip Code

46204

Purpose of Disbursement

transfer to non-federal acct

Candidate Name

Category/
Type

Office Sought

House

Senate

President

Disbursement For:

Primary

General

Other (specify) ▼

State:

District:

Date of Disbursement

03 / 06 / 2001

Amount of Each Disbursement this Period

3839.11

Transaction ID: SB22.5674

Full Name (Last, First, Middle Initial)

C. Indiana Democratic State Central Comm

Mailing Address

One North Capitol

Suite 200

City

Indianapolis

State

IN

Zip Code

46204

Purpose of Disbursement

transfer to non-federal acct

Candidate Name

Category/
Type

Office Sought

House

Senate

President

Disbursement For:

Primary

General

Other (specify) ▼

State:

District:

Date of Disbursement

04 / 04 / 2001

Amount of Each Disbursement this Period

30806.39

Transaction ID: SB22.5675

TFM

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page this line number only)

70485.63

